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Programme planning

Proposed strategic framework for the period 2006-2007

Part two: biennial programme plan

Programme 10
Trade and development

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Note: The Committee for Programme and Coordination, in its report on its forty-fourth session (*Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 16* (A/59/16), paras. 179 and 180), recommended that the General Assembly consider at its fifty-ninth session the proposed strategic framework for programme 10, Trade and development, in the light of the recommendations made by the Working Party on the Medium-term Plan and the Programme Budget of the United Nations Conference on Trade and Development (UNCTAD) at its resumed forty-second session. The Committee also recommended that the Assembly allocate programme 10 to the Second Committee for its review and action and for subsequent submission to the Fifth Committee for its consideration in the context of the overall proposed strategic framework for the period 2006-2007 under the item entitled "Programme planning". The present document is being issued in order to facilitate the review of the General Assembly. It takes into account the recommendations of the Working Party on the Medium-term Plan and the Programme Budget of UNCTAD, as endorsed by the Trade and Development Board.

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Overall orientation

10.1 The main objective of the programme, implemented by the United Nations Conference on Trade and Development (UNCTAD) and the International Trade Centre UNCTAD/WTO (ITC), is to maximize the trade and development opportunities of developing countries and to assist them in their integration into the world economy in a manner that enhances the development opportunities offered by the globalization process, while helping to shape international economic relations in the twenty-first century.

10.2 In the four years since the tenth session of UNCTAD, the Bangkok Plan of Action has served as a comprehensive blueprint for the work of UNCTAD and will continue to guide its work in the years to come. The eleventh session of UNCTAD was an opportunity to identify new developments and issues in the area of trade and development that had arisen since the previous session and to generate greater understanding of the interface and coherence between international processes and negotiations on the one hand and the development strategies and policies that developing countries need to pursue on the other. UNCTAD can play an important role in helping to ensure such coherence.

10.3 Since its inception, UNCTAD has consistently offered a perspective that looks closely at the trade- and development-related challenges of developing countries, as well as countries with economies in transition. Through its three major pillars, namely, consensus-building, research and policy analysis, and technical assistance, it has fostered a better understanding of the development process and the factors contributing to uneven economic growth in developing countries. Coordination and synergies among these three areas of work will continue and be enhanced. The independent analytical capacity of UNCTAD will be enhanced to ensure the high quality of research and analysis necessary to address key issues of importance to developing countries. The results of such analysis will support and reinforce its activities in consensus-building and technical cooperation. In all these areas of work, particular consideration will be given to the needs of the least developed countries. UNCTAD technical cooperation activities should also be strengthened through the implementation and follow-up of the technical cooperation strategy approved by the Trade and Development Board at its fiftieth session.

10.4 As the focal point of the United Nations for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development, UNCTAD is expected to make substantial contributions with respect to the implementation of the outcomes of recent global conferences. It will also contribute to the implementation of international development goals, including those contained in the Millennium Declaration, and to the follow-up of the comprehensive review of the progress made in that regard, to be held in 2005. It will contribute to the implementation of and take specific actions requested in the Programme of Action for the Least Developed Countries for the Decade 2001-2010, the Monterrey Consensus of the International Conference on Financing for Development, the Johannesburg Declaration on Sustainable Development and the Plan of Implementation adopted at the World Summit on Sustainable Development, the Declaration of Principles and Plan of Action adopted at the first phase of the World Summit on the Information Society, the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for

Landlocked and Transit Developing Countries and the Programme of Action for the Sustainable Development of Small Island Developing States, including the outcome of its review, to be held in Mauritius in 2005. It should also contribute to furthering the implementation of internationally agreed goals contained in the Doha Ministerial Declaration adopted at the Fourth Ministerial Conference of the World Trade Organization (WTO) and other relevant decisions.

10.5 ITC will complement the work of its parent bodies, UNCTAD and WTO, by focusing its technical cooperation activities on supporting the efforts of developing countries and countries with economies in transition, most particularly their business sectors, to build the capacities needed to realize their full potential for developing exports and improving import operations so that they can compete in the international marketplace. Capacity-building support is provided through information dissemination, training and advisory services. The principal clients of such technical assistance are public and private sector institutions and institutional networks that extend specialized trade support services to the export community in partner countries. Its principal technical cooperation partners are national networks of trade support institutions concerned with the international competitiveness of the small-scale enterprise sector. Priority is given to Africa and the least developed countries.

10.6 UNCTAD will be responsible for subprogrammes 1 to 5, while ITC will be responsible for subprogramme 6.

Subprogramme 1
Globalization, interdependence and development

A. Globalization, interdependence and development

Objective of the Organization: To promote economic policies and strategies at the national, regional and international levels that are supportive of sustained growth and poverty reduction in developing countries, based on faster capital accumulation and increased gains from globalization, against the background of increasing interdependence between the international trading and financial systems and national development strategies and the need for their coherence.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Better understanding of policy choices at the national and international levels and their implications for faster and more stable growth and poverty reduction in developing countries as a result of policy advocacy	(a) Number of endorsements of policy recommendations and acknowledgement of research findings by Member States
(b) Progress towards solving the debt problems of developing countries through better debt management and, as appropriate, debt relief	(b) (i) Number of institutions using the Debt Management and Financial Analysis System (ii) Increased number of countries having improved external debt positions or having gained international commitments to that end

(c) Improved empirical and statistical foundations and informational base for decision-making at the national and international levels on trade, financial and economic policies and development strategies	(c) Number of requests from outside users for statistical publications and informational materials in both electronic and hard-copy format
(d) Improved policy and institutional environment and enhanced international cooperation in the development of the Palestinian economy by strengthening UNCTAD activities in this field through the provision of adequate resources	(d) Number of policy and legislative measures and international cooperation initiatives taken

Strategy

10.7 This subprogramme is under the responsibility of the Division on Globalization and Development Strategies. In its work, the Division will focus on identifying specific needs and measures arising from the interdependence between trade, finance, investment, technology and macroeconomic policies from the point of view of its effect on development; contributing to a better understanding of coherence between international economic rules, practices and processes on the one hand and national policies and development strategies on the other; and supporting developing countries in their efforts to formulate development strategies adapted to the challenges of globalization. The objective will be pursued through policy advocacy based on: (a) timely and forward-looking research and analysis of macroeconomic and development policies as well as debt and finance, taking into account the outcomes of relevant major international conferences; (b) the formulation of policy recommendations for appropriate development strategies at the national, regional and international levels to meet the challenges of globalization; (c) furthering consensus-building on macroeconomic and development policies that are suited to the specific conditions of developing countries; and (d) capacity-building in support of such policies, including measures related to external financing and debt. The dissemination of the reports and documents issued under the subprogramme will be linked closely to the provision of advisory services, training and workshops at the national and international levels; technical cooperation, in particular in the area of debt management; statistical and informational services as tools for policy makers and in support of the UNCTAD work programme; and the provision of special assistance to the Palestinian people.

B. Development of Africa

Objective of the Organization: To promote African economic development and fuller participation and successful integration of African countries into the world economy.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Increase in the range of national and international policy choices to promote African development in the areas of expertise of UNCTAD	(a) Increased number of endorsements by African States of policy recommendations
(b) Increased utilization of services provided in support of the New Partnership for Africa's Development and various intergovernmental and inter-agency initiatives with regard to Africa	(b) Increased number of requests for assistance in support of the New Partnership and other such initiatives

Strategy

10.8 This subprogramme is under the responsibility of the Office of the Special Coordinator for Africa of the Division on Globalization and Development Strategies. The Office will undertake analytical research to identify issues that have an impact on Africa's economic development and will play an advocacy role in promoting consensus in the international development community on the policy measures that best address Africa's development problems. The research output will be linked closely to the provision of advisory services, training, workshops and lectures, with a view to strengthening capacity-building activities.

Subprogramme 2
Investment, enterprise and technology

Objective of the Organization: To assure developmental gains from increased international investment flows and technology transfer to developing countries and countries with economies in transition and from enhanced international competitiveness of domestic enterprises in those countries.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Increased ability at the national level to discuss international investment issues and their development dimension	(a) Number of policy makers and other stakeholders who indicate that they are better able to discuss international investment-related issues
(b) Better understanding of policies that will attract and benefit from foreign direct investment and technology transfer and the development dimension of international agreements	(b) Number of policy recommendations taken into account by Member States

(c) Improved opportunities for enterprises in developing countries and countries with economies in transition to enhance their competitiveness through deepened linkages between domestic and foreign firms and better understanding of emerging issues in accounting and reporting standards, corporate responsibility, transparency and good corporate practices	(c) Percentage of countries indicating that policy advice and technical assistance provided by UNCTAD were useful in the design of policies aimed at enhancing the competitiveness of their enterprises

Strategy

10.9 This subprogramme is implemented under the responsibility of the Division on Investment, Technology and Enterprise Development. To achieve the objective of the subprogramme, the Division will aim to improve the understanding of issues and policy choices in international investment, enterprise development and technology transfer and will continue to strengthen its role as the major source of comprehensive information and analysis of international investment. It will focus on the development dimension of international investment and technology flows, the interface of global processes and national policy-making and the integration of investment, technology and enterprise-development policies. The Division will also aim to strengthen the capacity of developing countries, in particular the least developed countries, at their request, to formulate and implement integrated policies and to participate in discussions relating to international investment, to support efforts by developing countries to respond to technological and scientific changes through science and technology reviews and to promote the transfer of technology and innovation.

Subprogramme 3
International trade

Objective of the Organization: To assure developmental gains from international trade, the trading system and trade negotiations in goods and services and to enhance the commodity sector's contribution to the development process for the effective and beneficial integration of developing countries and countries with economies in transition in the global economy.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Improved understanding and better ability of developing countries to analyse, formulate and implement appropriate trade policies and strategies in international trade, the international trading system and trade negotiations and improved capacity to meet the challenges of market access and entry conditions for developing countries' exports	(a) (i) Increased participation of developing countries in world trade and the international trading system (ii) The number of policy recommendations taken into account by Member States
(b) Strengthened analytical, statistical and information base for trade and trade-related decision-making at the national, regional and international levels	(b) Increased number of registered and subscribing users of the Trade Analysis and Information Analysis System, the World Integrated Trade Solution and the Agriculture Trade Policy Simulation Model

(c) Strengthened capacity of developing countries to integrate commodity production and trade into development	(c) Number of countries in which substantive progress is made in the contribution of the commodities sector to development
(d) Improved capability of developing countries to identify and address competition and consumer protection issues and to deal effectively with restrictive business practices	(d) Number of countries making progress in competition or consumer-protection legislation, specifically through the preparation, adoption or revision of legal instruments or through measures aimed at enforcing their implementation
(e) Strengthened capacity of developing countries to pursue both trade and trade policy objectives and sustainable development objectives in a mutually supportive fashion in the context of the international trading system	(e) Number of actions taken by developing countries to reconcile trade policy with sustainable development objectives in international discussions and negotiations or through specific policy measures at the national, regional and international levels

Strategy

10.10 This subprogramme is implemented under the responsibility of the Division on International Trade in Goods and Services and Commodities. To achieve the objective of the subprogramme, the Division will aim to assist developing countries and countries with economies in transition, at their request, to respond effectively to challenges and opportunities, thereby maximizing the gains from international trade in goods and services and from international commodity markets. It will monitor and analyse the evolution of the international trading system and trends in international trade from a development perspective and will help countries to develop the capacity to participate effectively in trade negotiations and to formulate relevant policies and strategies, with particular attention paid to the concerns of the least developed countries. It will provide a forum for policy discussion and consensus-building on core and emerging issues of international trade, commodities, trade in services and new and dynamic sectors of international trade. Special emphasis will be placed on the interface between the multilateral trading system and regional trade agreements, coherence between global/regional processes and national policies and strategies, the elaboration of development benchmarks, the provision of support to South-South cooperation and trade preferences and WTO accession. The Division will monitor developments in commodity markets and foster a new thrust to international cooperation and partnership in commodities development, diversification, commodity-related financing and risk management. It will also further its work on important issues, such as trade and poverty; trade and gender; trade, environment and development; competition policy and consumer protection; and trade and other globalization issues. Capacity-building activities will be carried out, inter alia, through the ITC/UNCTAD/WTO Joint Integrated Technical Assistance Programme and the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries.

Subprogramme 4
Services infrastructure for development, trade efficiency and human resources development

Objective of the Organization: To improve the competitiveness in international trade of developing countries and countries with economies in transition through efficient and secure trade-supporting services, better and increased utilization of information technology and development of training capacity.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Improved trade logistics of developing countries through, inter alia, strengthening of transport efficiency, trade facilitation and customs and legal frameworks	(a) Increased number of specific actions taken by developing countries to improve transport efficiency and trade facilitation
(b) Improved awareness and understanding by developing countries of the policy and strategy options of the economic applications of information and communication technologies	(b) Increased number of specific actions taken by developing countries to address economic implications of information and communication technologies
(c) Strengthened human resources development capacity in developing countries in the fields of trade, investment and trade-supporting services	(c) Percentage of trained trainers having successfully delivered training

Strategy

10.11 This subprogramme is under the responsibility of the Division for Services Infrastructure for Development and Trade Efficiency. To achieve the objective, the Division will aim to promote access to and capacity to use information and knowledge. In particular, it will focus on trade-supporting services, including the strengthening of transport efficiency, trade facilitation and customs and legal frameworks; economic applications of information and communication technologies; and development of the capacity of trade and training institutions. It will pursue the objective by: (a) carrying out timely and forward-looking research and analysis; (b) formulating policy recommendations for appropriate development strategies at the national, regional and international levels; (c) fostering dialogue for consensus-building; (d) providing technical assistance upon request; and (e) building the capacity of trade, transport and training institutions. The reports and documents prepared under the subprogramme will be widely disseminated in connection with the provision of advisory services, training and workshops at the national and international levels. Where appropriate, they will draw upon the knowledge gained through technical cooperation activities.

Subprogramme 5
Special needs of least developed countries, small island developing States and landlocked developing countries and the related special problems and challenges faced by transit developing countries

Objective of the Organization: To promote progressive and beneficial integration into the global economy of least developed countries and facilitate their smooth graduation and to respond to the special needs of small, vulnerable economies, small island developing States and landlocked developing countries within a new global framework for transit transport cooperation for landlocked and transit developing countries, in accordance with the Almaty Programme of Action.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Increased analytical understanding and consensus in the global economy of the development problems of least developed countries, small island developing States and landlocked developing countries and the related special problems and challenges faced by transit developing countries, as well as structurally weak and small, vulnerable economies	(a) Increased number of policy actions agreed and recommended by least developed countries and their development partners
(b) Better integration of trade policies and priorities in the national development plans of least developed countries through the implementation of the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries	(b) Number of countries making efforts to mainstream their trade policies and priorities into their national development plans
(c) Increased analytical understanding of the problems of the least developed countries and research and policy analysis in support of them, including through the annual publication of the *Least Developed Countries Report*	(c) Timeliness, quality and relevance of the analytical work undertaken, including with respect to the annual *Least Developed Countries Report*, as indicated by the number of endorsements of policy recommendations and acknowledgement of research findings by the least developed countries
(d) Enhanced international cooperation to improve transit transport for the trade of landlocked developing countries, within a new global framework for transit transport cooperation for landlocked and transit developing countries	(d) Number of landlocked developing countries making progress in the improvement of their transit-transport agreements within a new global framework for transit transport cooperation for landlocked and transit developing countries, and other trade facilitation measures
(e) Contribution to the follow-up to the international meeting on the sustainable development of small island developing States in 2005	(e) Timely completion of inputs to this follow-up

Strategy

10.12 This subprogramme is under the responsibility of the Special Programme for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States. To achieve the above objective, the Special Programme will enhance work on the special problems of the least developed countries, small island developing States and landlocked developing countries and the related special problems and challenges faced by transit developing countries, as well as structurally weak and small, vulnerable economies. The work of the subprogramme will focus on improving human and institutional capabilities in those countries through research and policy analysis; making policy proposals based on such analyses; and facilitating intergovernmental discussion on issues relating to the least developed countries, including the status of least developed countries and their smooth graduation. The causes of decline in the share of the least developed countries in world trade and the linkages between trade, growth and poverty reduction will also continue to be examined with a view to identifying long-term solutions to those problems. Such analysis will be carried out on an annual basis in connection with the *Least Developed Countries Report*. The work of the subprogramme will also focus on implementing technical assistance based on specific needs of those countries; coordinating relevant UNCTAD technical cooperation activities in favour of those countries; and participating in the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries and the ITC/UNCTAD/WTO Joint Integrated Technical Assistance Programme. It will thereby contribute to the three global programmes of action for those countries, namely, the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010; the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries; and the Barbados Programme of Action for the Sustainable Development of Small Island Developing States, including the outcome of its review at the international meeting to be held in Mauritius.

Subprogramme 6
Operational aspects of trade promotion and export development

Objective of the Organization: To enable developing countries and countries with economies in transition to realize their full potential for developing exports and improving import operations.

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Establishment of national core expertise in multilateral trading system issues involving a good understanding of products and market reality and potential	(a) (i) Increased number of country networks established and supported under the World Tr@de Net and related ITC programmes (ii) Increased level of activities of individual advocacy networks
(b) Trade development strategies that take into account supply capacity and international demand and commercial practices	(b) (i) Increased number of trade development strategies developed through ITC collaboration (national or sectoral) under implementation (ii) Increased number of countries assisted that incorporate an "e" dimension into export strategies
(c) Reinforcement of trade support institutions in the provision of efficient services to the business community	(c) (i) Increased number of trade support institutions partnering with ITC (ii) Increased number of institutions applying ITC support tools
(d) Improved trade performance in selected product and service sectors	(d) (i) Increased number of enterprises participating in ITC buyer-seller meetings and matchmaking activities (ii) Increased number of participants in the ServicesExportNetwork (iii) Increased number of countries with partners using ITC strategic market analysis tools
(e) Increased entrepreneurship and competitiveness at the enterprise level	(e) Increased number of enterprise associations applying ITC-developed support tools

Strategy

10.13 ITC bears substantive responsibility for the implementation of this subprogramme. The strategy will focus on developing national capacity to identify new opportunities for trading goods and services and to address the business implications of the multilateral trading system by linking national capacity to specific products and markets. It will involve interventions in the following functional areas: (a) institutional development for trade promotion and specialized

support services; (b) export training capacity development; (c) capacity-building in international purchasing and supply management; (d) strategic and operational market research; (e) sector-specific product and market development; (f) trade information management; (g) promotion of the use of information and communication technologies for improving trade competitiveness; and (h) technical cooperation coordination, including needs assessment and programme/project design.

10.14 In pursuit of its objective, ITC will: (a) establish and nurture national networks of trade experts to raise awareness and develop capabilities to understand and respond to changes in the multilateral trading system; (b) offer a platform for discussion and facilitate the exchange of national experiences and best practices in finding business solutions to trade-related problems; (c) promote business advocacy and provide publications, training materials, courses and direct assistance related to the business implications of WTO agreements; (d) develop and apply tools for national export potential surveys and strategic market research; (e) implement a "product-network" strategy involving the participative development of generic technical assistance products and their customization and dissemination through a network of partner institutions; (f) combine market intelligence with training, advisory services and business contacts for the export promotion of specific products and services, with particular emphasis on South-South trade and poverty reduction; and (g) help national institutions to provide counselling services to enterprises in trade information, export planning, identification of customers, management of the supply chain, product development and adaptation, marketing, pricing, contracting and distribution.

10.15 ITC carries out its technical cooperation activities in coordination with its parent bodies, UNCTAD and WTO. In addition, ITC cooperates with a network of other multilateral agencies, including the International Monetary Fund, the World Bank, the Food and Agriculture Organization of the United Nations, the United Nations Development Programme, the United Nations Industrial Development Organization, the International Organization for Standardization, the regional economic commissions, the World Intellectual Property Organization, l'Agence intergouvernementale de la francophonie and the Commonwealth Secretariat and, for the first time in 2004, the European Commission. Direct collaboration with bilateral technical cooperation agencies, primarily from the member countries of the Organization for Economic Cooperation and Development, in the design and implementation of field-level activities is also increasing. Partnership with the private sector is a priority for ITC, which works closely with private sector associations such as the World Association for Small and Medium Enterprises.

Legislative mandates

The mandates below apply to subprogrammes 1 to 5:

TD/386	Plan of Action, adopted by the United Nations Conference on Trade and Development at its tenth session, on 19 February 2000
TD/387	Bangkok Declaration: Global Dialogue and Dynamic Engagement, adopted by the United Nations Conference on Trade and Development at its tenth session, on 19 February 2000
TD/412	Part I: UNCTAD XI — The Spirit of São Paulo
	Part II: The São Paulo Consensus
WSIS-03/GENEVA/ DOC/5-E	Plan of Action of the World Summit on the Information Society
A/C.2/56/7, annex	Doha Ministerial Declaration of the World Trade Organization

General Assembly resolutions

55/2	United Nations Millennium Declaration
55/182	International trade and development
55/279	Programme of Action for the Least Developed Countries for the Decade 2001-2010
56/210	International Conference on Financing for Development
57/240	Enhancing international cooperation towards a durable solution to the external debt problem of developing countries
57/253	World Summit on Sustainable Development
57/300	Strengthening of the United Nations: an agenda for further change
58/172	The right to development
58/197	International trade and development
58/200	Science and technology for development
58/201	Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries
58/202	International financial system and development
58/203	External debt crisis and development
58/204	Commodities
58/213	Further implementation of the Programme of Action for the Sustainable Development of Small Island Developing States

58/220	Economic and technical cooperation among developing countries
58/222	Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006)
58/225	Role of the United Nations in promoting development in the context of globalization and interdependence
58/228	Third United Nations Conference on the Least Developed Countries
58/230	Follow-up to and implementation of the outcome of the International Conference on Financing for Development
58/233	New Partnership for Africa's Development: progress in implementation and international support

Subprogramme 6
Operational aspects of trade promotion and export development

Economic and Social Council resolution

1819 (LV)	United Nations export promotion programmes